

TARIFF ACTION MEMORANDUM

File No.: TA334-13

Date: April 8, 2020

Date Filed: February 28, 2020

Statutory End Date: April 13, 2020

Utility: Golden Valley Electric Association, Inc.

Description: Quarterly COPA and SFPPR Update

Synopsis of Filing:

Golden Valley Electric Association, Inc. submits its quarterly Cost of Power Adjustment and Small Facility Power Purchase Rate update for the period beginning March 1, 2020.

Tariff Recommendation:

The Commission should:

1. Approve Tariff Sheet Nos. 39 and 40, filed February 28, 2020, by Golden Valley Electric Association, Inc. with TA334-13, as shown on the attached side-by-side tariff sheets (JD-1). The effective date of the tariff sheets should be March 1, 2020; and,
2. Grant GVEA's request to waive 3 AAC 52.504(c) and allow emergency fuel purchases to be included in TA334-13.

Reason(s) for the above-indicated recommendation: See attached memorandum.

Signed: Jed Drolet
Jed Drolet

Title: Utility Tariff Analyst

Commission decision regarding this recommendation:

	Date (if different from 4/8/2020)	<u>I CONCUR</u>	<u>I DO NOT CONCUR</u>	<u>I WILL WRITE A DISSENTING STATEMENT*</u>
Pickett	<u>Apr 9, 2020</u>	<u>RMP</u>		
McAlpine	<u>Apr 9, 2020</u>	<u>SM</u> SM		
Scott	<u>Apr 9, 2020</u>	<u>AGS</u> AGS		
Sullivan	<u>Apr 9, 2020</u>	<u>DS</u> DS		
Wilson	<u>Apr 9, 2020</u>	<u>JW</u> JW		

*If this column is initialed, Staff will contact the Commissioner for the statement; otherwise, the dissent will simply be noted at the close of the By Direction letter or order.

STATE OF ALASKA
The Regulatory Commission of Alaska
701 West 8th Ave., Suite 300
Anchorage, Alaska 99501-3469

M E M O R A N D U M

To: Robert M. Pickett, Chairman
Stephen McAlpine
Antony Scott
Daniel A. Sullivan
Janis W. Wilson

Date: April 8, 2020

From: Jed Drolet, Utility Tariff Analyst

Subject: TA334-13, Golden Valley Electric Association, Inc.
Quarterly COPA and SFPPR Update

STATEMENT OF CASE

Golden Valley Electric Association, Inc. (GVEA) submits its quarterly Cost of Power Adjustment (COPA) and Small Facility Power Purchase Rate (SFPPR) update for the period beginning March 1, 2020.

RECOMMENDATION

The Commission should:

1. Approve Tariff Sheet Nos. 39 and 40, filed February 28, 2020, by Golden Valley Electric Association, Inc. with TA334-13, as shown on the attached side-by-side tariff sheets (JD-1). The effective date of the tariff sheets should be March 1, 2020; and,
2. Grant GVEA's request to waive 3 AAC 52.504(c) and allow emergency fuel purchases to be included in TA334-13.

BACKGROUND

GVEA is a member-owned cooperative providing electric service to approximately 46,000 customers in the Fairbanks region.¹ GVEA's electric load is met with a combination of energy generated by its own coal² and combustion plants,³ as well as energy purchased

¹ GVEA currently has approximately 39,500 residential customers, 6,500 small commercial customers, and 460 large commercial customers. See tariff advice letter for TA334-13, at page 1.

² Generation from GVEA's Healy 1 and Healy 2 Steam Plants (Healy 1 and Healy 2) incurs four separate expenses: coal, ash disposal, sodium bicarbonate, and fuel used for turbine start-ups. The coal and ash disposal components are provided under an agreement with Usibelli Coal Mine (See Letter Order No. L1400258, issued December 13, 2014 in TA252-13).

³ GVEA's three main combustion generation plants are the North Pole Expansion Plant (NPEP), the North Pole Plant (NPP), and the Fairbanks Zehnder Plant (Zehnder). The fuel is purchased from Petro Star, Inc., and delivered by Big State Logistics, Inc.

from other sources,⁴ and all Commission-approved related costs are recovered through GVEA's COPA surcharge.⁵

GVEA now submits its quarterly COPA and SFPPR rate update for the period beginning March 1, 2020. In accordance with historic Commission practice,⁶ a publication notice was not issued for TA334-13.

ANALYSIS

COPA

Proposed revisions to COPA surcharges are reviewed under 3 AAC 52.504, which requires information supporting entries in the balancing account for the historical period, and support for projections for the future period.⁷

Calculation of GVEA's COPA consists of two parts.⁸ The first part includes a 3-month estimate of kWh sales and fuel and power costs.⁹ The second part includes documentation for the actual balancing account entries for November 2019 through January 2020, and GVEA's estimated balancing account balance for February 29, 2020.¹⁰ GVEA provided actual usage, generation, cost, and sales data for the period of November 2019 through January 2020, including invoices and spreadsheets supporting the balancing account entries. GVEA submitted supporting documentation for the estimates

⁴ GVEA purchases power from (1) Aurora Energy, LLC (See Letter Order No. L1300409, issued August 16, 2013 in TA244-13); (2) Bradley Lake, of which GVEA holds a 16.9% share (under 50-year purchase, transmission and wheeling agreements set to expire in 2037); (3) Chugach Electric Association, Inc. (See Letter Order No. L1300242, issued August 30, 2013 in TA241-13); (4) the Municipality of Anchorage, d/b/a Municipal Light & Power Department (not contracted); (5) the United States Military Ft. Wainwright Army Installation (See GVEA Tariff Sheet Nos. 104-106, Rate Schedule T-4, Energy Imbalance Service); (6) Alaska Environmental Power, LLC and Chena Power, Inc. renewable energy under its Experimental Renewable Resource Purchase (ERRP) program (max. nameplate capacity of 2,000 kilowatts or kW) (See Letter Order No. L1200251, issued April 27, 2012 in TA228-13); (7) Sustainable Natural Alternative Power (SNAP) renewable energy under its program (max. nameplate capacity of 25 kW) from several different participants (See Letter Order No. L1000510, issued December 17, 2010 in TA207-13); (8) Eva Creek Wind facility which provided 6% of GVEA's load requirement associated with TA311-13 (See Exhibit 2 filed with TA311-13); and, (9) Matanuska Electric Association, Inc. (See Letter Order No. L1500361, issued December 21, 2015 in TA264-13). GVEA has not obtained Commission approval to recover the costs associated with Eva Creek through its COPA surcharge, and consequently Eva Creek Wind power purchases are not included in the COPA surcharge calculation.

⁵ See side-by-side Tariff Sheet No. 39, attached as JD-1, section (c)(7). GVEA's base cost of power is currently \$0.00, resulting in all approved fuel and purchased power costs being recovered exclusively through the COPA surcharge. See Order No. U-08-139(7), issued July 30, 2009.

⁶ One reason the Commission forgoes publication notice for COPA filings is 3 AAC 52.504(d) which states "[f]or a COPA filing under (b) of this section, an electric utility is not required to give public notice under AS 42.05.411..." this allows a utility to implement a COPA upon filing, rather than waiting the 45 days specified in AS 42.05.411 to ensure adequate notice to the public of a tariff revision.

⁷ See 3 AAC 52.504(g), *Filing Requirements for Electric Utilities*. This support includes invoices, records, reports, calculations, contracts and any other information the Commission and Staff consider necessary to explain the proposed COPA calculation.

⁸ Historically there was a third part to the calculation, the Fort Knox Credit. This was removed in TA277-13 (see Letter Order No. 1600085, issued February 25, 2016, approving TA277-13).

⁹ GVEA's 3-month projections are developed using its Production Costing Model. See GVEA Tariff Sheet Nos. 38, 38.1 and 39, and COPA support Exhibits 1 through 6.

¹⁰ In 2011, GVEA obtained Commission approval to use an estimated balancing account balance in its COPA calculation. See Letter Order No. L1100162, issued May 16, 2011 (TA216-13).

for the 3-month period beginning March 1, 2020. GVEA also provided support for the estimated February 29, 2020, balancing account balance.

COPA Surcharge Decrease (Tariff Sheet No. 39)

As shown on Tariff Sheet No. 39 filed with TA334-13, GVEA proposes a COPA surcharge of \$0.10965/kWh. This represents a \$0.0003/kWh decrease from the currently approved COPA surcharge of \$0.10998/kWh.

Table 1 shows the effect of the proposed changes on a sample residential customer billing for 660 kWh usage.

TABLE 1

Sample Customer Billing				
Line	Description	Current Rates	Proposed Rates	Change from Current Rate
1	COPA Surcharge (\$/kWh)	\$ 0.10998	\$ 0.10965	\$ (0.00033)
2	660 KWH CUSTOMER BILL			
3	Customer Charge	\$ 22.50	\$ 22.50	-
4	Energy Charge @ \$0.12697/kWh	83.80	83.80	-
5	RCC @ \$0.000593/kWh	0.39	0.39	-
6	COPA Surcharge (\$)	72.59	72.37	(0.22)
7	Total Customer Bill	<u>\$ 179.28</u>	<u>\$ 179.06</u>	<u>\$ (0.22)</u>

Factors that may affect the calculation of GVEA's COPA include the previous period's balancing account balance, generation efficiency, and projected fuel and power costs. Changes in these factors frequently offset each other. Any factor that increases the average cost per kWh sold will put upward pressure on the COPA surcharge and any factor that decreases the average cost per kWh sold will put downward pressure on the surcharge. The proposed decrease to GVEA's COPA is driven primarily by:

- (1) A decrease in projected fuel and purchased power costs for the period.

The projected fuel and purchased power costs decreased from \$31,532,794 to \$24,143,851.¹¹ GVEA is projecting lower oil costs (from \$20,629,267 to \$12,787,571) and higher coal costs (from \$6,164,301 to \$6,242,485).¹² The overall effect is a decrease in projected costs, which places downward pressure on the COPA surcharge.

- (2) An increase in the estimated balancing account balance. The estimated balancing account balance increased from \$5,547,931 to \$7,502,252,¹³

¹¹ See side-by-side Tariff Sheet No. 39, attached as JD-1, at section (c)(1)(d).

¹² *Id.*, at sections (c)(1)(a)-(b).

¹³ See side-by-side Tariff Sheet No. 39, attached as JD-1, at section (c)(2).

indicating that GVEA anticipated that more costs would be incurred than revenue would be collected. This increase in the estimated balancing account balance resulted from an under-collection during December 2019 and January 2020 and a projected under-collection in February 2020.¹⁴ The increase in the estimated balancing account balance places upward pressure on the COPA surcharge.

- (3) A decrease in estimated kWh sales for the period. The estimated 3-month kWh sales decreased from 337,166,400 kWh to 288,601,920 kWh.¹⁵ This increase results in the projected costs¹⁶ being spread over a smaller number of kWh, placing upward pressure on the COPA surcharge.

The decrease in estimated costs places downward pressure on the COPA surcharge; this offsets the upward pressure from the increase in the estimated balancing account balance and the increase in estimated sales. The overall result is a decrease to GVEA's COPA surcharge.

The revisions proposed in TA334-13 did not include a change in methodology or new cost element, and as such, GVEA implemented the proposed surcharge on March 1, 2020, in accordance with 3 AAC 52.504(b).¹⁷ Staff has reviewed all information and calculations filed in support of TA334-13, and verified that GVEA provided all required information. Staff confirmed that the proposed surcharge was calculated accurately, using GVEA's approved methodology, and that the tariff sheet is correct. Therefore, Staff recommends the Commission approve Tariff Sheet No. 39.

SFPPR Increase (Tariff Sheet No. 40)

GVEA calculates its SFPPR, Schedule No. QF-1, by adding together estimated costs for fuel, variable O&M, and the energy portion of purchase power (minus the costs associated with generation that is not avoided by virtue of purchases from QFs) for the three months projected in GVEA's COPA, and dividing that sum by the estimated kilowatt-hours sold for the same period (less kilowatt-hours sales associated with generation that is not avoided by virtue of purchases from QFs). Table 2 shows the calculation for the current and proposed SFPPR.

¹⁴ See tariff advice letter for TA334-13, at page 4.

¹⁵ See side-by-side Tariff Sheet No. 39, attached as JD-1, at section (c)(4).

¹⁶ The total projected costs include the balancing account balance. See side-by-side Tariff Sheet No. 39, attached as JD-1, at section (c)(3).

¹⁷ 3 AAC 52.504(b) states that an electric utility may implement a COPA filing that does not include a new methodology or cost element immediately upon filing with the Commission, although the COPA filing is subject to subsequent review, adjustment, and approval by the Commission.

Table 2

Schedule No. QF-1 - Calculation of Avoided Cost Rate				
Line	Description	Current Amount	Proposed Amount	Change
1	Fuel + Variable O&M + Energy Portion of Purchase Power expenses less costs associated with generation that is not avoided by virtue of purchases from a QF	\$ 10,286,356	\$ 7,806,523	
2	Estimated kWh sales for the next 3-month period less sales associated with generation that is not avoided by virtue of purchases from a QF.	112,183,680	74,590,080	
3	QF-1 Purchase Rate	<u>\$ 0.09169</u>	<u>\$ 0.10466</u>	\$ 0.01296

GVEA proposes a SFPPR of \$0.10466/kWh, an increase from the currently approved SFPPR of \$0.09169/kWh.¹⁸ Staff confirmed that the proposed SFPPR was calculated accurately, using GVEA's approved methodology, and that the tariff sheet is correct. Therefore, Staff recommends that the Commission approve Tariff Sheet No. 40.

REQUEST FOR WAIVER OF 3 AAC 52.504(C)

With TA334-13, GVEA requests a waiver of 3 AAC 52.504(c), which requires a utility to obtain Commission approval of a new cost element before including it in a COPA filing. GVEA states that in January 2020, its primary fuel provider, Petro Star Inc. (PSI), informed GVEA that due to adverse weather conditions it was unable to provide sufficient fuel for GVEA's operations. PSI stated that it would be reducing GVEA's fuel volume to 75,000 gallons per day because PSI was having difficulties meeting their fuel supply requirements due to the cold temperatures. With little to no economy energy available from the Intertie to purchase, GVEA states that this reduction in fuel volume from PSI put GVEA at risk of not being able to provide electric service to its customers. GVEA arranged with an alternative fuel provider, Marathon Oil Company (Marathon), to purchase enough fuel to make up the shortfall. GVEA states that it continued to purchase fuel from PSI until the 75,000 gallon cap was reached, then it supplemented its fuel with purchases from Marathon.¹⁹ GVEA provided copies of the invoices for the purchases from Marathon with TA334-13.²⁰

GVEA states that it is aware of the requirements laid out in 3 AAC 52.504(c) and that absent this situation it would have made the appropriate new cost element filing. GVEA states that it has no agreement with Marathon at this time. GVEA also states that should an agreement with Marathon come to fruition, it would make the appropriate new COPA

¹⁸ GVEA's SFPPR applies to QFs with nameplate capacity of 100 KW or less. See side-by-side Tariff Sheet No. 40, attached as JD-1.

¹⁹ See tariff advice letter for TA334-13, at pages 4 and 5.

²⁰ See Exhibit 9 for TA334-13, at pages 209 and 225.

cost element filing. GVEA requests a waiver to the strict adherence of the provisions of 3 AAC 52.504(c) and that it be allowed to include the Marathon purchases in its COPA calculation for the reported quarter.²¹ GVEA believes that its requested waiver would be in the public interest because: 1) GVEA received insufficient advance notice from its regular fuel provider that it would be unable to provide sufficient fuel for GVEA's needs; 2) the integrity of GVEA's system and the safety of its customers were at risk; and 3) GVEA is requesting this waiver for this COPA filing only.²²

3 AAC 52.504(c) provides, in relevant part, that if an electric utility seeks to change its COPA methodology or include a new cost element in its COPA, it must first obtain the Commission's approval. Because GVEA has not previously obtained Commission approval to include fuel purchases from Marathon in its COPA, approval of this request would require a waiver of 3 AAC 52.504(c). 3 AAC 52.502(c) provides that a requirement in 3 AAC 52.501 - 3 AAC 52.519 may be modified or waived, in whole or in part, by order of the commission, on the commission's own motion or on a showing that the waiver or modification is in the public interest. The criteria for determining if a waiver is in the public interest are given in 3 AAC 48.805(b), which states:

Application for waiver under this section must be in writing and must set out the pertinent facts in sufficient detail to support a finding by the commission that no legitimate public interest will be served by enforcing the requirement designated in the application. An application under this section may be made to the commission by motion, petition, or, where appropriate, by a tariff advice letter.

Staff notes that GVEA has made this waiver request in writing by a tariff advice letter, as required by 3 AAC 48.805(b). Staff has reviewed GVEA's arguments for the waiver in the tariff advice letter and considers them well supported by pertinent facts.

In order to determine if granting the waiver is in the public interest, Staff analyzed the financial impact of the fuel purchases from Marathon and the effect on the COPA calculation of either allowing or disallowing them. Staff reviewed GVEA's documentation for its January 2020 fuel purchases from both PSI and Marathon and determined that Marathon's price per gallon was approximately 12% higher than PSI's.²³ Staff considers this price difference to be reasonable because of the difference in circumstances related to the purchases. Specifically, GVEA has a contract with PSI and the purchases from Marathon were made on an emergency need basis. Staff also calculated the effect on the COPA surcharge if the Marathon purchases were excluded and found that it would be \$0.10707/kWh, a difference of \$0.00258/kWh or 2.36% from GVEA's requested COPA

²¹ See tariff advice letter for TA334-13, at page 4.

²² See tariff advice letter for TA334-13, at page 5.

²³ See Appendix 9 to TA334-13, at pages 209, 210, and 225. PSI price: \$2.1978 (2,674,027 gallons / \$5,877,072.90). Marathon price: \$2.4610 (303,071 gallons / \$745,862.43).

surcharge of \$0.10965/kWh.²⁴ Staff does not consider lowering the COPA by this amount to serve a legitimate public interest as the cost to provide power was actually higher.

Staff reviewed GVEA's COPA methodology, as set out in its tariff, and notes that it is not specific as to the fuel provider.²⁵ The tariff provides for fuel purchases and that GVEA will report the costs with supporting invoices.²⁶ As previously stated, GVEA provided the supporting invoices. Staff reviewed GVEA's waiver request and its backup documentation for the Marathon fuel purchases. Based on this review, Staff believes that GVEA has set out the pertinent facts in sufficient detail to support a finding that no legitimate public interest will be served by disallowing the Marathon fuel purchases from being used in the COPA calculation for TA334-13. Staff also believes that GVEA has satisfactorily demonstrated that these purchases were the result of an emergency situation in which they were necessary for continued operation of GVEA's system. The additional costs incurred were reasonable under the circumstances, and that it would be in the public interest for the Commission to allow these costs to be included in calculating the COPA surcharge. Staff therefore recommends that the Commission grant GVEA's request for a waiver of 3 AAC 52.504(c).

CONCLUSION

With TA334-13, GVEA requests approval of its revised COPA and SFPPR for the period beginning March 1, 2020. Staff has verified the proposed surcharge and rate were calculated accurately using GVEA's approved methodology, the proper support was filed, and the tariff sheets are correct. Therefore, Staff recommends the Commission approve Tariff Sheet Nos. 39 and 40, filed February 28, 2020, by GVEA with TA334-13. The effective date of the tariff sheets should be March 1, 2020. In addition, Staff recommends the Commission grant GVEA's request to waive 3 AAC 52.504(c) to allow certain emergency purchases of fuel to be included in the COPA surcharge calculation.

Signature: 

Email: bob.pickett@alaska.gov

Signature: 
Stephen McAlpine (Apr 9, 2020)

Email: stephen.mcalpine@alaska.gov

Signature: 

Email: antony.scott@alaska.gov

Signature: 
Dan Sullivan (Apr 9, 2020)

Email: daniel.sullivan@alaska.gov

Signature: 

Email: janis.wilson@alaska.gov

²⁴ Removing GVEA's payments to Marathon of \$745,862.43 from the COPA balancing account results in a January ending balance of \$7,502,252, compared to the balance of \$8,120,526 including the payments. Using this balance in the COPA calculation (see Tariff Sheet No. 39, at section c(2a)) results in an estimated February ending balance of \$6,756,390 and a final COPA surcharge of \$0.10707/kWh.

²⁵ See side by side Tariff Sheet No. 39, attached as JD-1, at section (c)(1)(b).

²⁶ See Tariff Sheet No. 38.1, effective April 20, 2015.

RCA NO. 13 Hundred-Fifty-Second Revision
 Canceling: Hundred-Fifty-First Revision

Sheet No. 39
 Sheet No. 39

RECEIVED
 NOV 27 2019

STATE OF ALASKA
 REGULATORY COMMISSION OF ALASKA

GOLDEN VALLEY ELECTRIC ASSOCIATION, INC.

COST OF POWER ADJUSTMENT CLAUSE				
(c) Determination of Cost of Power Adjustment ¹ :				
(1) Current cost of fuel and purchased power requirement: [*]				
Base Supply Contracts	Estimated Quantities* (A)	Effective Cost Per Unit ** (B)	Total * (A x B)	
a) Coal	1,544,065 MMBTU	\$3.9922547 \$/MMBTU	\$6,164,301	I
b) Oil	12,953,948 gal	\$1.592508 \$/gal	\$20,629,267	I
c) Purchase Power				
AML	1,031,000 kWh	0.104000 \$/kWh	\$107,224	R
CHUGACH	0 kWh	0.000000 \$/kWh	\$0	
BRADLEY	0 kWh	0.069267 \$/kWh	\$0	R
HEA	0 kWh	0.000000 \$/kWh	\$0	
MEA	0 kWh	0.106000 \$/kWh	\$0	
AURORA	52,416,000 kWh	0.088370 \$/kWh	\$4,632,002	I
SUBTOTAL	53,447,000 kWh	0.088672 \$/kWh	\$4,739,226	R
d) TOTAL			\$31,532,794	I
(2) Estimated cost of power balancing account general ledger balance as of November 30, 2019			\$5,547,931	I, T
(2a) Actual cost of power balancing account general ledger balance as of August 31, 2019 =		\$4,618,781		T
as of September 30, 2019 =		\$6,073,209		T
as of October 31, 2019 =		\$7,248,207		T
(3) Total of (1) and (2) above			\$37,080,725	I
(4) Estimated 3 months kWh sales			337,166,400	I
(5) Weighted average cost per kWh (3/4) (fuel plus purchase power)			\$0.10998	I
(6) Cost per kWh base rate			\$0.00000	
(7) Cost of Power Adjustment (5 - 6)			\$0.10998	I
* For a 3-month period beginning December 1, 2019				T
** Effective unit costs are rounded				

¹ The Cost of Power Adjustment is referred to as the Fuel and Purchased Power charge on the member's monthly bill.

Tariff Advice No. TA 332-13 Effective: December 1, 2019

Issued by: Golden Valley Electric Association, Inc.

By: *Mgrassi for*
 Cory Borgeson

Title: President and CEO

RCA NO. 13 Hundred-Fifty-Third Revision
 Canceling: Hundred-Fifty-Second Revision

Sheet No. 39
 Sheet No. 39

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 FEB 28
 2020
 RCA

GOLDEN VALLEY ELECTRIC ASSOCIATION, INC.

COST OF POWER ADJUSTMENT CLAUSE				
(c) Determination of Cost of Power Adjustment ¹ :				
(1) Current cost of fuel and purchased power requirement: [*]				
Base Supply Contracts	Estimated Quantities* (A)	Effective Cost Per Unit ** (B)	Total * (A x B)	
a) Coal	1,638,945 MMBTU	\$3.8088436 \$/MMBTU	\$6,242,485	I
b) Oil	7,961,549 gal	\$1.606166 \$/gal	\$12,787,571	R
c) Purchase Power				
AML	172,000 kWh	0.107000 \$/kWh	\$18,404	R
CHUGACH	0 kWh	0.000000 \$/kWh	\$0	
BRADLEY	24,481,000 kWh	0.060120 \$/kWh	\$1,471,798	I
HEA	0 kWh	0.000000 \$/kWh	\$0	
MEA	0 kWh	0.000000 \$/kWh	\$0	
AURORA	43,056,000 kWh	0.084160 \$/kWh	\$3,623,593	R
SUBTOTAL	67,709,000 kWh	0.075526 \$/kWh	\$5,113,795	I
d) TOTAL			\$24,143,851	R
(2) Estimated cost of power balancing account general ledger balance as of February 29, 2020			\$7,502,252	I, T
(2a) Actual cost of power balancing account general ledger balance as of November 30, 2019 =		\$6,783,382		T
as of December 31, 2019 =		\$7,083,763		T
as of January 31, 2020 =		\$8,120,526		T
(3) Total of (1) and (2) above			\$31,646,103	R
(4) Estimated 3 months kWh sales			288,601,920	R
(5) Weighted average cost per kWh (3/4) (fuel plus purchase power)			\$0.10965	R
(6) Cost per kWh base rate			\$0.00000	
(7) Cost of Power Adjustment (5 - 6)			\$0.10965	R
* For a 3-month period beginning March 1, 2020				T
** Effective unit costs are rounded				

¹ The Cost of Power Adjustment is referred to as the Fuel and Purchased Power charge on the member's monthly bill.

Tariff Advice No. TA 334-13 Effective: March 1, 2020

Issued by: Golden Valley Electric Association, Inc.

By: *Cory Borgeson*
 Cory Borgeson

Title: President and CEO

RCA NO. 13
Canceling: Hundred-Fiftieth Revision
Sheet No. 40
Hundred-Forty-Ninth Revision
Sheet No. 40

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NOV 27 2019

STATE OF ALASKA
REGULATORY COMMISSION OF ALASKA

GOLDEN VALLEY ELECTRIC ASSOCIATION, INC.

SCHEDULE NO. QF-1
PURCHASE AND SALE RATES FOR QUALIFIED
COGENERATION AND SMALL POWER PRODUCTION FACILITIES

Available:

This schedule is available in all GVEA service areas and applicable to qualified cogeneration and small power production facilities of 100 KW or less (Facility).

Service Description:

Service shall be single or three phase 60 hertz alternating current at the standard voltages and phase of GVEA's established distribution system most available to the location of the Facility.

Due to safety concerns, GVEA will normally limit the number of customers receiving service under the terms of this schedule to one per substation circuit, however, this limitation shall not apply if adequate safety can be demonstrated without applying the limitation. Any dispute in this regard between GVEA and a customer seeking service under this schedule may be resolved through the Regulatory Commission of Alaska's dispute procedure upon filing by either party.

Rates:

Power supplied by GVEA to the customer in order to meet its electric requirements will be priced at the applicable retail rates.

The rate to be paid by GVEA to the Qualified Cogenerator or Small Power Producer for kWh supplied to GVEA by the Facility is the avoided energy cost as approved by the Commission.

The current QF-1 Purchase rate is:

\$0.09169 per kWh R

The Avoided Cost Rate is calculated for Schedule No. QF-1, pursuant to 3 AAC 50.770(i), as follows:

(1) Fuel + Variable Operating & Maintenance Costs + Energy Portion of Purchase Power expenses less costs associated with generation that is not avoided by virtue of purchases from a QF.	\$10,286,356	I
(2) Estimated kWh sales for the next 3-month period less sales associated with generation that is not avoided by virtue of purchases from a QF.	112,183,680	I
QF-1 Purchase rate [(1) / (2)]	\$0.09169	R

Tariff Advice No. TA 332-13 Effective: December 1, 2019

Issued by: Golden Valley Electric Association, Inc.

By: Cory Borgeson Title: President and CEO

RCA NO. 13
Canceling: Hundred-Fifty-First Revision
Sheet No. 40
Hundred-Fiftieth Revision
Sheet No. 40

TARIFF SECTION
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FEB 28
2020
RCA

GOLDEN VALLEY ELECTRIC ASSOCIATION, INC.

SCHEDULE NO. QF-1
PURCHASE AND SALE RATES FOR QUALIFIED
COGENERATION AND SMALL POWER PRODUCTION FACILITIES

Available:

This schedule is available in all GVEA service areas and applicable to qualified cogeneration and small power production facilities of 100 KW or less (Facility).

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Due to safety concerns, GVEA will normally limit the number of customers receiving service under the terms of this schedule to one per substation circuit, however, this limitation shall not apply if adequate safety can be demonstrated without applying the limitation. Any dispute in this regard between GVEA and a customer seeking service under this schedule may be resolved through the Regulatory Commission of Alaska's dispute procedure upon filing by either party.

Rates:

Power supplied by GVEA to the customer in order to meet its electric requirements will be priced at the applicable retail rates.

The rate to be paid by GVEA to the Qualified Cogenerator or Small Power Producer for kWh supplied to GVEA by the Facility is the avoided energy cost as approved by the Commission.

The current QF-1 Purchase rate is:

\$0.10466 per kWh I

The Avoided Cost Rate is calculated for Schedule No. QF-1, pursuant to 3 AAC 50.770(i), as follows:

(1) Fuel + Variable Operating & Maintenance Costs + Energy Portion of Purchase Power expenses less costs associated with generation that is not avoided by virtue of purchases from a QF.	\$7,806,523	R
(2) Estimated kWh sales for the next 3-month period less sales associated with generation that is not avoided by virtue of purchases from a QF.	74,590,080	R
QF-1 Purchase rate [(1) / (2)]	\$0.10466	I

Tariff Advice No. TA 334-13 Effective: March 1, 2020

Issued by: Golden Valley Electric Association, Inc.

By: Cory Borgeson Title: President and CEO